

EMPP and ESA: Next Steps

The Department of Treasury wants to remind Eligible Manufacturing Personal Property Claimants of the next steps to certify and pay the Essential Services Assessment (ESA). After an eligible claimant properly claimed the EMPP exemption by filing Form 5278 and the assessor granted the EMPP exemption, the information contained in Form 5278 was transmitted by the local unit assessor to the Michigan Department of Treasury. The Department of Treasury then created an electronic ESA Statement that the eligible claimant is required to certify and then electronically pay the ESA tax liability shown on that certified statement. The electronic ESA Statement is currently available through Michigan Treasury Online (MTO) for claimants that filed and received the exemption by February 22, 2016 and will be available on June 30th for Form 5278 filings processed in the second filing window which ended May 31, 2016. This ESA Statement is only available online and will not be mailed to the claimant. To receive the EMPP exemption for 2016 and avoid late penalties, each taxpayer is required to certify this ESA Statement and pay the full ESA liability by August 15th.

To complete a claim of the EMPP exemption through MTO, the taxpayer must:

1. Log into MTO at <https://mto.treasury.michigan.gov>
2. Create a Business relationship utilizing the FEIN and shared secret information reported on Form 5278
3. Review the system generated statement
4. Amend the generated statement, if necessary
5. Certify and submit the statement as a return
6. Pay ESA liability in full

Detailed instructions on how to navigate MTO, as well as additional information regarding the EMPP exemption, ESA tax, and approved electronic filing and payment methods are available on the ESA website at www.michigan.gov/esa.

The State Essential Services Assessment Act (P.A. 92 of 2014, as amended) requires taxpayers claiming an EMPP exemption to file and certify an ESA statement and submit payment of their ESA liability in full by August 15th to avoid late penalties. If a certified statement and full payment (including late payment penalties) are not received by October 15th, Treasury is required to rescind your EMPP exemption. If an EMPP exemption is rescinded, the taxpayer will become liable for taxes to the local tax collecting unit and any extended PA 328 or IFT exemption will be revoked.